

EXHIBIT D

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
Form 10-K

**[X] ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF
THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended January 3, 1998
Commission File Number 1-5480

Textron Inc.

(Exact name of registrant as specified in charter)

Delaware	05-0315468
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

40 Westminster Street, Providence, R.I. 02903
(401) 421-2800
(Address and telephone number of principal executive offices)
Securities registered pursuant to Section 12(b) of the Act:

Title of Class	Name of Each Exchange on Which Registered
Common Stock - par value \$.125; (163,142,742 shares Exchange outstanding at March 6, 1998);	New York Stock Pacific Stock Exchange
Preferred Stock Purchase Rights	Chicago Stock Exchange
\$2.08 Cumulative Convertible Preferred Stock, Exchange Series A - no par value	New York Stock

\$1.40 Convertible Preferred Dividend Stock, Series B New York Stock Exchange
(preferred only as to dividends) - no par value

8.75% Debentures due July 1, 2022 New York Stock Exchange

7.92% Trust Preferred Securities of Subsidiary Trust New York Stock Exchange
(and Textron Guaranty with respect thereto)

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark whether the registrant (1)
has filed all reports required to be filed by Section 13 or
15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file
such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes X. No

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be
contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form

small proprietorships to large multi-national companies. Competition is based primarily on price, quality, reputation and delivery. In addition, larger customers of fastening systems tend to procure products and services from the larger suppliers, except for "niche" products which may be sourced from smaller companies. Only the loss of the major OEM automotive customers and their first-tier suppliers would have a material adverse effect on TFS. However, because of the broad range of products sold to such customers, it is unlikely that they will cease all purchases from TFS.

The Golf and Turf Care Equipment group consists of E-Z- GO Textron, which manufactures and sells electric powered and gasoline powered golf cars and multipurpose utility vehicles, Jacobsen Textron, which manufactures and sells professional mowing and turf maintenance equipment, and Ransomes plc, a multi-national engineering group that specializes in the design, manufacture and marketing of grass care machinery and specialized industrial vehicles. Textron acquired Ransomes in January 1998.

The customers of the Golf and Turf Care Equipment group consist primarily of golf courses, resort communities and commercial and industrial users such as airports and factories. Sales are made directly through factory branches, through a network of distributors and directly to end-users. Many sales of golf and turf care

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equipment (both at the distributor and end-user level) are financed through Textron Financial Corporation, both for marketing purposes and as an additional source of revenue to Textron.

There are two major competitors and a number of smaller competitors for golf cars, multipurpose utility vehicles and turf maintenance equipment for golf courses. Competition is based primarily on price, quality, product support, performance, reliability and reputation.

The Fluid and Power Systems group consists of Cone Drive Textron, HR Textron, Maag Pump Systems Textron (Switzerland) and Textron Systems. The Fluid and Power Systems group operations face competition from other manufacturers based primarily on price, quality, product support, performance, delivery and reputation.

Cone Drive, which includes Textron Industrial SpA (formerly Maag Italia), designs and manufactures double enveloping worm gear speed reducers, gear motors and gear sets, including gear systems primarily for railroad applications. Maag Pump Systems manufactures gears, gear pumps and gear systems. In December 1997, Textron acquired the assets of Vernon Engineering Company Limited, the long- standing distributor of the products of Maag Pump Systems in the U.K. Cone Drive and Maag Pump Systems sell their products to a variety of customers, including OEMs, distributors and end-users.

HR Textron designs and manufactures control systems and components for aircraft, armored vehicles and commercial applications. HR Textron is in the process of diversifying its business base by adapting aerospace technology to servovalves used in industrial and automotive applications. HR Textron's aerospace and defense products are marketed directly to the U.S. Government and OEMs and, in the aftermarket, both directly and through service centers.

Textron Systems manufactures "smart" munitions, airborne surveillance systems, automatic aircraft landing systems and advanced composite materials for the U.S. Department of Defense. Once exclusively a supplier to the Department of Defense, Textron Systems now applies its technologies to non-defense and international markets. Current commercial products include laser ultrasonic systems for industrial control, infrared sensors for medical, industrial and agribusiness applications, and fire protection and insulating materials for oil and chemical companies. While Textron Systems sells most of its products directly to customers, it also sells some products through a growing, global network of sales representatives and distributors.

The Industrial Components group consists of Fuel Systems Textron, Greenlee Textron, Textron Lycoming, Textron Marine & Land Systems and Turbine Engine Components Textron, each of which is a leading company in its industry. Products of this group are sold to a wide variety of customers, including OEMs, distributors and end users, including the military. The principal competitive factors affecting sales of the products of the Industrial Components

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group are price, quality, customer service, performance, reliability, reputation and existing product base. The Speidel operation, a manufacturer of watch attachments and fashion jewelry, was sold to Herman Hirsch USA, Inc. at the end of 1997.

Fuel Systems designs, manufactures and overhauls gas turbine engine injection and metering devices, fuel distribution valves, and afterburner fuel injection systems for commercial and military aircraft, and industrial, marine, and vehicular markets. Fuel Systems invests in the design and development of innovative, proprietary products, with on-site engineering support at customer facilities and an advanced product development facility to extend the customers' own design activities.